

Date: August 30, 2001

To: All Iowa Public School Districts

From: Bureau of Instructional Services and Budgeting and
Finance Team, Department of Education

Subject: Modified Allowable Growth for Services for Returning Dropouts and
Dropout Prevention under Iowa Code
Section 257.38-.41

Rules have been adopted by the State Board of Education to incorporate the application process for modified allowable growth for returning dropout and dropout prevention services into the comprehensive school planning process. This action was completed to reduce paperwork and redundancy and to assure comprehensive local planning for all children and youth. This document identifies the process for submitting budget information for approval of modified allowable growth for services for returning dropouts and potential dropouts K-12 for FY 2002-2003. (See Sections 1-4 identified on separate pages of this document)

The budget of an approved program for returning dropouts and dropout prevention for a school district, after subtracting funds received from other sources for that purpose, shall be funded annually on a basis of one-fourth or more from the district cost of the school district and up to three-fourths by an increase in allowable growth as defined in Iowa Code Section 257.41. By February 15, the Iowa Department of Education will notify the Department of Management and the School Budget Review Committee of the approved budget for each program submitted by local school districts. The Department of Management will establish a modified allowable growth for each district equal to the lesser of the portion of the budget that is not funded from the district's local budget, or five percent of the budget enrollment times the district cost per pupil. School districts will be notified of the action of the School Budget Review Committee following its March meeting through the unofficial summary posted on the Department's web site. **Budgets approved on the basis of this application must be used for expenditures as described in the approved Comprehensive School Improvement Plan activities or approved continuing applications presently on file at the Department of Education. Balances can be carried over and used to offset future costs and requests for modified allowable growth.**

The district cost per pupil for FY 2002-2003 is available on the Department's web site at <http://www.state.ia.us/educate/programs/ecese/is/dropouts/index.html>. The document is called "FY03 district cost per pupil for returning dropout/dropout prevention program application." This information is needed for Section 4, row 6 of these guidelines.

Modified Allowable Growth Request
Iowa Code Sections 257.38-.41
Programs and Services for At-risk School-age Populations
Send one copy by U.S. mail to:
Dr. Raymond E. Morley
Bureau of Instructional Services
Department of Education
Grimes State Office Building
Des Moines, Iowa 50319-0146
Fax: 515-242-6025
E-mail: ray.morley@ed.state.ia.us

Please Check:

_____ **New budget request** (First request for modified allowable growth under an approved CSIP)

_____ **Continuing budget request** (Follow-up to previous requests consistent with an approved or existing application)

Section One: Basic Program Data

AEA No. _____

District Name: _____

County and District Number: County No. _____ District No. _____

District Superintendent: _____
(Printed Name) (Signature)

Local Contact Person: _____

Position: _____

Contact Telephone Number: _____ **FAX:** _____

E-mail Address: _____

Use of Funds: NOTE: Check one or all—check mark indicates planned use of Modified Allowable Growth funds

Elementary _____ **Middle** _____ **High School** _____


Note: Preschool services are not eligible for support under Iowa Code section 257.38-41.

Note: Each school district accessing modified allowable growth for services for returning dropouts and dropout prevention under Iowa Code section 257.38-.41 must independently submit a budget request even if programs have been linked and sharing is occurring among districts.

Section Two: Budget

Budget Proposal for Schools, Programs and Support Services for Returning Dropouts and Dropout Prevention


1.	100	Salaries (Total)	_____
2.		Professional	_____
3.		Other	_____
4.	200	Employee Benefits	_____
5.	300	Purchased Professional Services (Total)	_____
6.		Dropout Prevention (All Staff)	_____
7.		Other	_____
8.	400	Purchased Property Services	_____
9.	500	Other Purchased Services	_____
10.	600	Supplies	_____
11.	700	Property	_____
12.	800 - 900	Other Expenses	_____
13.		TOTAL	_____

 **NOTE:** The numbers beside the categories in the budget refer to object codes defined in the Uniform Financial Accounting System for local education agencies, the Iowa Department of Education Web pages http://www.state.ia.us/educate/publications/ufa_manual. The codes also appear in Appendix D of the same publication (July 2001 revision).

Section 3: Dropouts and Potential Dropouts

Identification of Students

1. Budget enrollment for budget year 2002-2003 No. _____
2. Number and percentage of returning dropouts included in budget enrollment count (being served in existing alternatives) No. _____ %
3. Number and percentage of returning dropouts not included in budget enrollment count (to be served in proposed program) No. _____ %
4. Number and percentage of potential dropouts (to be served in proposed programs, includes elementary at risk) (Preschool not to be included) No. _____ %
5. Total number and percentage of returning dropouts and potential dropouts (K-12 only) No. _____ %
6. Number and percentage of preschool at-risk children (optional) No. _____ %

 **NOTE:** All percentages except row 6 should be calculated using the budget enrollment figure identified above. The maximum modified allowable growth for the district will be calculated at the Department of Education using a 5 percent limitation identified in 257.38. School districts are limited to a maximum of 5 percent of the budget enrollment for the budget year x the district cost per pupil regardless of the numbers reported above. However, school districts must meet or exceed the 5 percent limitation in order to be approved for the maximum modified allowable growth. Preschool data is included to establish future potential planning needs for the district. Modified allowable growth dollars under 257.38-41 cannot be used for supporting preschool services at this time.

Definitions taken from Chapter 12, Iowa Administrative Code:

“Dropout” means a school-age student served by a public school district enrolled in any of grades seven through twelve who does not attend school or withdraws from school for a reason other than death or transfer to another approved school or school district or has been expelled with no option to return.

“Potential Dropouts” means resident pupils who enrolled in public or nonpublic school who demonstrate poor school adjustment as indicated by two or more of the following: a) high rate of absenteeism, truancy or frequent tardiness; b) limited or no extracurricular participation or lack of identification with school, including but not limited to, expressed feelings of not belonging; c) poor grades, including but not limited to, failing in one or more school subjects or grade levels; d) low achievement scores in reading or mathematics, which reflect achievement at two years or more below grade level.


“Returning Dropouts” means resident pupils who have been enrolled in public or non-public school in any of grades seven through twelve who withdrew from school for a reason other than transfer to another school or school district and who subsequently enrolled in a public school in the district.

“Preschool at-risk children” means four-year-old children meeting the definition in IAC, Chapter 64.

Section 4: Modified Allowable Growth request to the School Budget Review Committee

Modified Allowable Growth request

1. Total budget figure from budget proposal (Budget Total, Section Two, row 13) _____
2. *Revenue from other sources to fund budget proposal _____
3. Total budget less other sources (**subtract line 2 from line 1**) _____
4. Minimum (25%) that must come from the district's Regular program cost (**25 percent of line 3**) _____
5. Excess of proposed budget over minimum required to be paid from the district's regular program cost (**subtract line 4 from line 3**) _____
6. District cost per pupil _____
7. Budget enrollment _____
(from section 3, row 1)
8. Maximum modified allowable growth possible (5% X row 6 X row 7) _____
9. Modified Allowable growth requested (**subject to the 5 percent limitation** in 257.38, Iowa Code) _____
10. Amount on row 5, 8 or 9, whichever is least _____

 The amount on row ten will be entered on your district's Aid and Levy Worksheet by the Department of Management after the amount of modified allowable growth is approved by the School Budget Review Committee.

*Revenues from state or federal aid programs such as Title 1, Title 6, etc., local sources such as gifts, donations, and private foundation aid, etc. applied directly to the proposed program; balances from previous years approved budgets for returning dropout and dropout prevention programs in which all modified allowable growth and local share was not expended.

The signature of the superintendent of the district on the first page signifies certification that the figures are accurate and authority to request modified allowable growth on behalf of the district.

The district may request a downward adjustment to the amount of modified allowable growth requested on this application providing the request is made no later than the second week of April for any fiscal year.

